

AMENDED IN ASSEMBLY MAY 11, 2005

AMENDED IN ASSEMBLY APRIL 12, 2005

CALIFORNIA LEGISLATURE—2005–06 REGULAR SESSION

## ASSEMBLY BILL

**No. 1155**

**Introduced by Assembly Member La Suer**

February 22, 2005

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An act to add Section 32126.3 to the Health and Safety Code, relating to health care districts.

### LEGISLATIVE COUNSEL'S DIGEST

AB 1155, as amended, La Suer. Grossmont Healthcare District.

Existing law provides for the formation of health care districts, provides for appointments of their governing boards, and sets forth their powers and duties, including, but not limited to, the power to enter into long-term leases for the operation of a hospital or a part of a hospital, and establishes standards for determining whether a transfer of assets by a local district is at fair market value.

This bill would, notwithstanding any provisions of law, conditionally permit *renegotiation or* extension of the lease executed between the Grossmont Healthcare District located in the City of La Mesa, and the Grossmont Hospital Corporation *if certain conditions are met, including, but not limited to, a review of the lease at least once every 10 years, and would permit cancellation only for cause.* The bill would make certain findings and declarations regarding the inapplicability of a general statute within the meaning of Section 16 of Article IV of the California Constitution.

Vote: majority. Appropriation: no. Fiscal committee: no.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

SECTION 1. Section 32126.3 is added to the Health and Safety Code, to read:

32126.3. Notwithstanding any provision of law to the contrary, the lease in existence immediately preceding January 1, 2006, between the Grossmont Healthcare District located in the City of La Mesa, and the Grossmont Hospital Corporation that was entered into on May 29, 1991, may be *renegotiated or* extended for up to an additional 30-year term if all of the following conditions are met:

(a) ~~The lease extension~~ *renegotiated or extended lease* is fully discussed in advance of the Grossmont Healthcare District Board's action to approve the extension in at least five properly noticed open and public meetings in compliance with the Ralph M. Brown Act (Chapter 9 (commencing with Section 54950) of Part 1 of Division 2 of Title 5 of the Government Code).

(b) The provisions of subparagraph (A) of paragraph (2) of subdivision (p) of Section 32121 relating to transfer agreements and extensions thereof are complied with.

(c) *The renegotiated or extended lease is subject to the review and affirmative vote of the governing board of the Grossmont Healthcare District in at least three properly noticed open meetings in compliance with the Ralph M. Brown Act, Chapter 9 (commencing with Section 54950) of Part 1 of Division 2 of Title 5 of the Government Code, and shall be reviewed at least once every 10 years during the term of the lease. If the board elects to renegotiate or extend the lease the board may thereafter vote to cancel the lease only for cause.*

SEC. 2. Due to the unique circumstances concerning the Grossmont Healthcare District, it is necessary that authority be given for extension of the lease agreement, and the Legislature finds and declares that a general statute cannot be made applicable within the meaning of Section 16 of Article IV of the California Constitution.

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